

ASX ANNOUNCEMENT

RRL1630D

21 August 2019

Rox adds Significantly to Nickel and Gold Tenure

ROX RESOURCES LIMITED

ASX: RXL

Rox Resources Limited (ASX: RXL) is an Australian listed company with advanced gold and nickel projects in Western Australia: the Youanmi Gold Project, Mt Fisher Gold project, and the Fisher East and Collurabbie Nickel projects.

DIRECTORS

Mr Stephen Dennis
Chairman

Mr Alex Passmore
Managing Director

Mr Brett Dickson
Finance Director

Shares on Issue	1,291m
Share Price	\$0.029
Market Cap.	\$37.5m
Cash & Receivables	\$7.8m

(at 30/06/19)

Highlights:

- **Rox to earn up to a 75% interest in a 290km² tenement package adjacent to and along strike of the Fisher East Nickel Project**
- **Adds 40km of nickel prospective “basal contact” strike length to Rox’s exploration portfolio**
- **Positions Rox to grow its existing 78,000t contained nickel resource¹ in the Fisher East region.**
- **The new tenure also contains significant gold mineralisation, including the Galway and Southern Prospects**

Australian gold and nickel company, Rox Resources Limited (“Rox” or “the Company”) (ASX: RXL), is pleased to advise it has entered into a binding terms sheet with Cullen Exploration Pty Ltd (a subsidiary of Cullen Resources Limited (“Cullen”), ASX: CUL) which allows Rox to earn up to a 75% interest in Cullen’s Mt Eureka tenements (all minerals, See Appendix 1 for tenement list).

Rox’s Fisher East nickel deposits (**4.2Mt @ 1.9% Ni for 78,000t contained nickel**)¹ occur along an ultramafic flow ‘basal contact’ which, along strike, extend into Cullen’s Mt Eureka Project. The Company’s experience and knowledge gained from its extensive exploration at Fisher East puts Rox in a strong position to effectively and quickly explore and develop drill targets for the project.

Managing Director Alex Passmore commented:

“We are very pleased to be entering into this agreement with Cullen Resources at a time when the nickel market is strengthening. The Fisher East nickel project discovered by Rox is one of the most substantial nickel finds in recent times and with this acquisition we aim to build on the substantial mineral resources already identified.”

Level 1, 34 Colin Street,
West Perth WA 6005

+61 8 9226 0044

admin@roxresources.com.au

www.roxresources.com.au

¹ see ASX announcement 5 February 2016
(Indicated Mineral Resource: 3.7Mt grading 1.9% Ni, Inferred Mineral Resource: 0.5Mt grading 1.5% Ni)

Key Terms

Key terms of the agreement are as follows:

- Rox may earn a 51% interest by spending \$1m on exploration expenditure within a three-year period from satisfaction of certain Conditions Precedent (Stage 1 Earn In).
- Cullen will receive \$40,000 cash upon satisfaction of one of the Conditions Precedent.
- If Rox earns the 51% interest, it can elect to earn a further 24% interest by expending a further \$1m on exploration expenditure over a three-year period, commencing at the end of the Stage 1 Earn In.
- Rox must spend a minimum of \$333,334 and ensure the Cullen tenements are in good standing on a daily pro rata basis before it may withdraw.
- Upon Rox earning 51% or, if it earns the additional 24%, upon Rox earning 75%, the parties will be associated in an unincorporated Joint Venture in relation to the Joint Venture Tenements, which will include certain Rox tenements and applications (see the Schedule and Fig.1 below).
- If Rox earns 75%, Cullen will be free-carried, with no liability for any Joint Venture costs, until completion of a Pre-Feasibility Study.
- If Rox only earns 51%, or earns 75% and completes a Pre-Feasibility Study, thereafter Cullen must contribute to Joint Venture costs pro-rata , or dilute under a standard dilution formula.
- If a Participant's interest falls to 10% or less, that Participant's interest will be converted to a Net Smelter Return Royalty of 1% on those Cullen tenements already subject to a royalty and 2.5% on the balance of the Joint Venture Tenements.

Project Detail

The Mt Eureka Nickel and Gold Project is located in the Northern Goldfields, about 600km northeast of Kalgoorlie (about 120km east of Wiluna) and immediately to the north of Rox Resources' Mt Fisher Gold and Fisher East Nickel Projects (Figures 1 and 2 below).

The Fisher East Nickel Project, discovered by Rox, has mineral deposits with JORC resources at Camelwood, Cannonball and Musket, the Sabre mineralisation where numerous drill holes have hit nickel sulphide mineralisation, Mt Tate drill target where nickel sulphide was encountered in an exploratory aircore drill hole and several compelling drill targets. The deposits contain substantial high grade, high tenor nickel sulphide mineralisation.

Some of the better intersections seen at Fisher East include:

MFEC071: **4m @ 8.4% Ni** from 178m, including 2m @ 14.7% Ni

MFEC072: **5m @ 8.4% Ni** from 205m, including 3m @ 12.1% Ni,

(see ASX Announcement 30 July 2014)

The Mt Eureka Greenstone belt represents the northernmost 40 strike km of the contiguous Mt Fisher – Mt Eureka belt. The strike length of prospective ultramafic stratigraphy on the Mt Eureka Group of tenements is extensive with the prospective basal contact unit extended from Rox's tenure onto the Mt Eureka tenure.

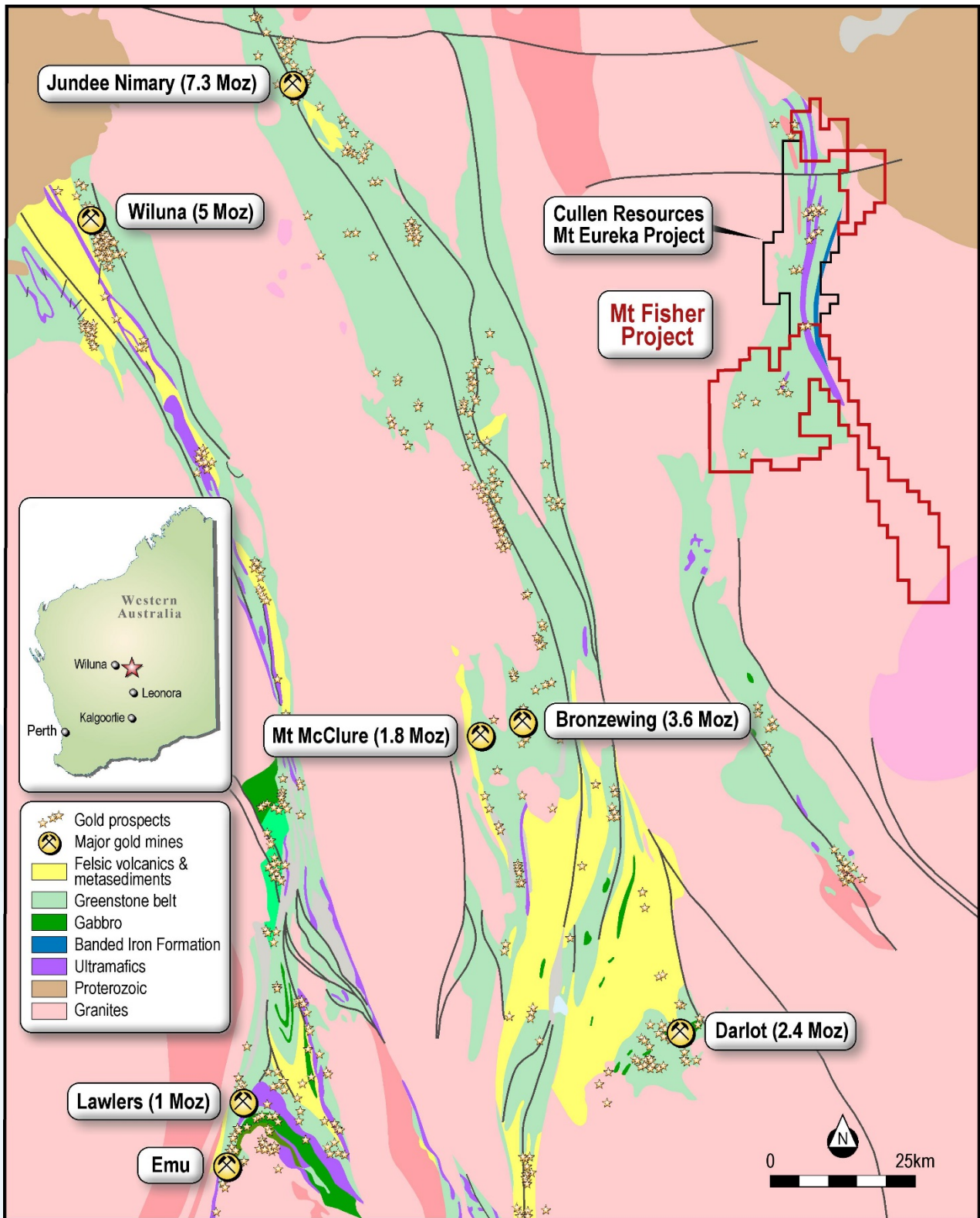


Figure 1 - Location of Mt Fisher Gold and Nickel Project

Nickel Exploration Strategy

A dominant feature of the Mt Eureka belt is the prominent magnetic-high Silverbark BIF/chert which runs along the eastern margin of the belt from the northern end of Camelwood for about 25km to Doyle's Bore (Figure 2). This metasedimentary horizon is located at approximately the stratigraphic basal ultramafic position with almost all significant mineralisation discovered at Fisher East immediately east of this horizon. This has important implications for continued exploration focusing on this eastern margin of the belt and will be an initial focus for Rox.

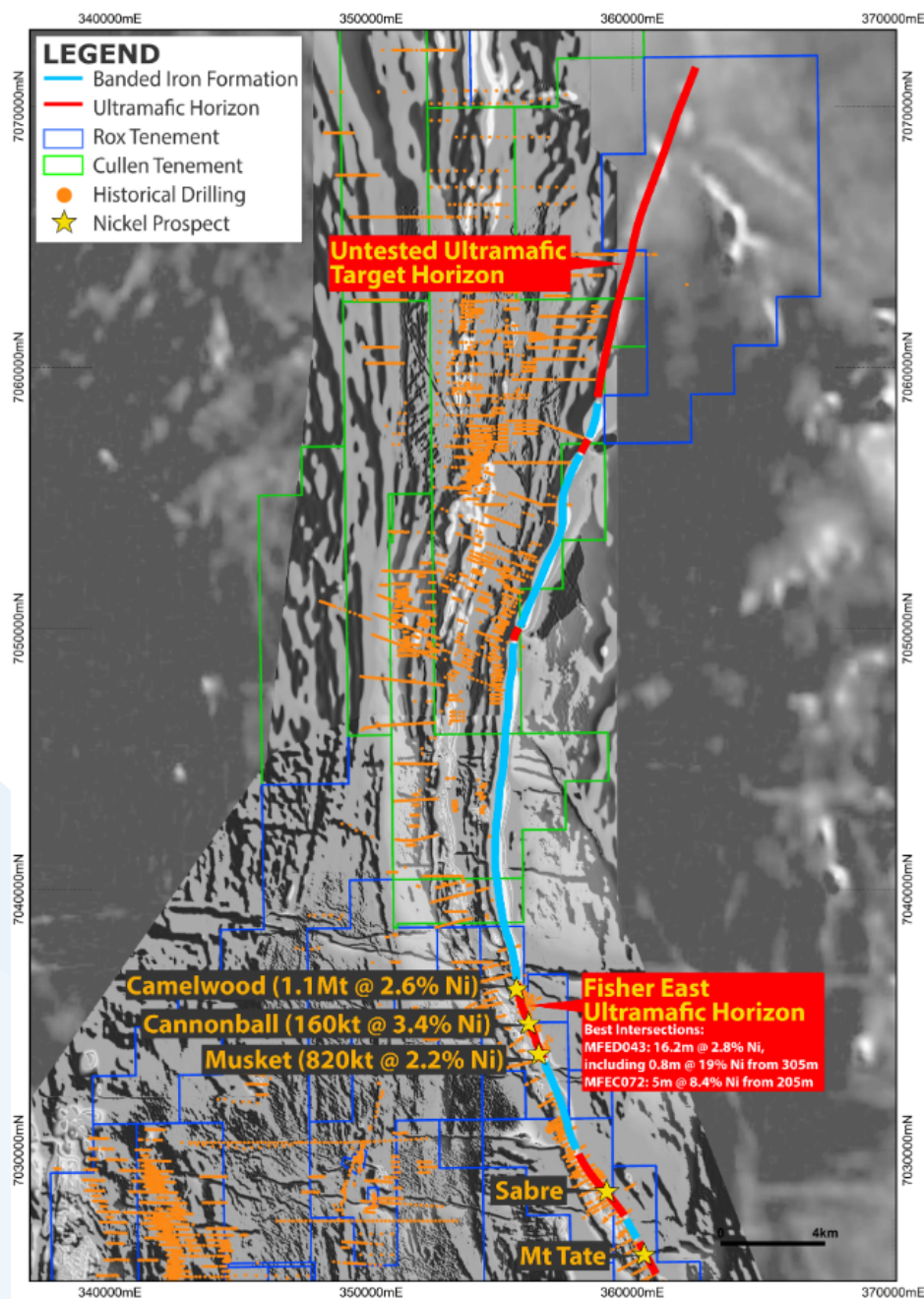


Figure 2 – Aeromagnetic Image Showing Target Horizon

In the next quarter Rox intends to undertake exploration consisting of:

- Detailed ground EM surveying along the line of the Silverbark chert/BIF horizon to identify conductors targeting massive sulphide lenses. Additionally, the survey will assist in identifying areas of thermal erosion in the BIF which are key target areas.
- Aircore drilling across the target horizon to identify basement hosted nickel and to delineate areas of elevated platinum group elements (PGE) an indicator of basement nickel mineralisation.

RC and diamond drilling targeting nickel sulphide mineralisation along the target horizon

Gold Prospects

A modest amount of gold exploration has been carried at the project with several advanced gold prospects identified. The Galway Prospect (Figure 3) presents as the most advanced of these.

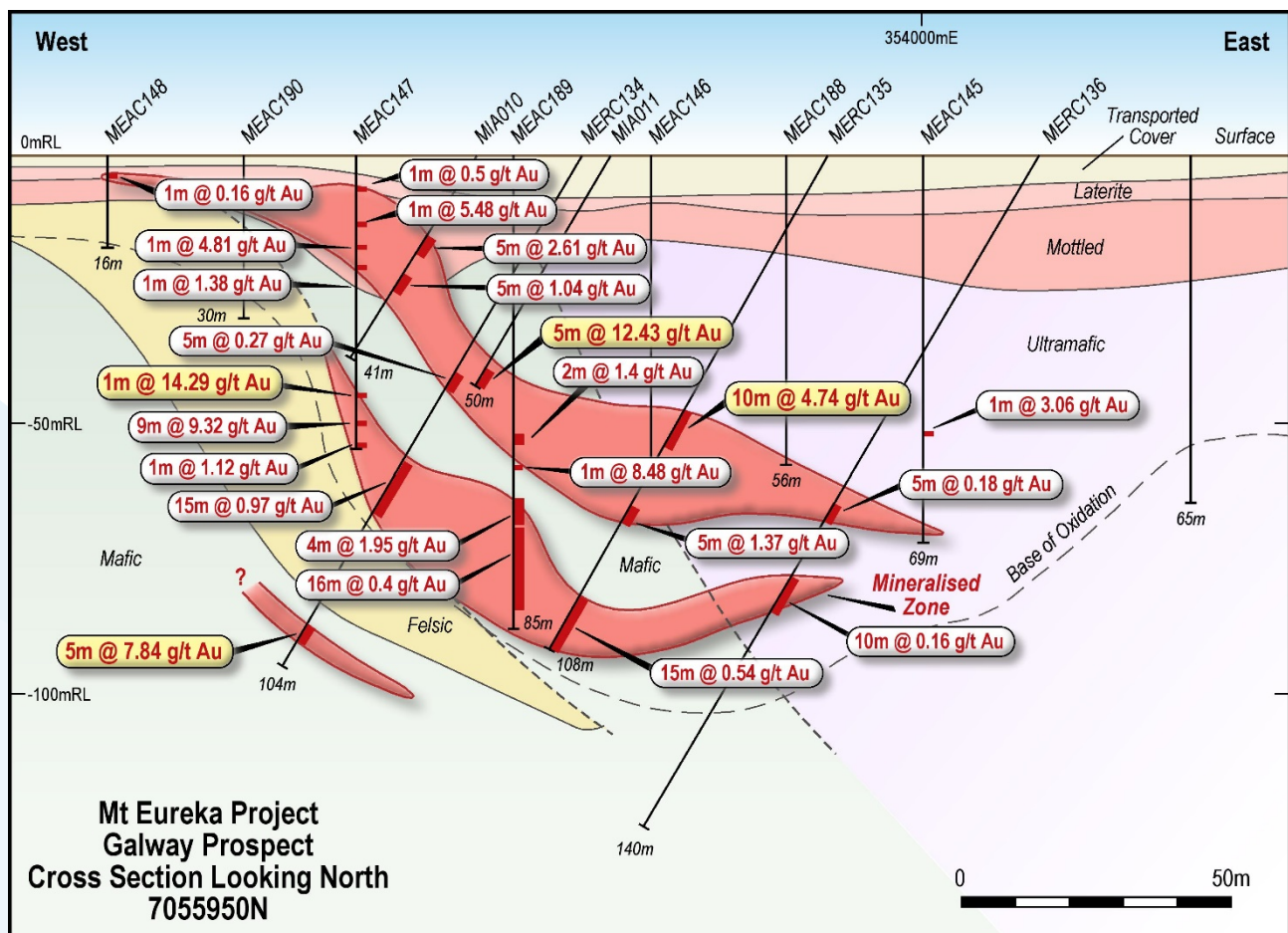


Figure 3 - Galway Prospect – Gold mineralisation open down dip
(source Cullen ASX Release 6 May 2019)

*** ENDS ***

For more information:

Alex Passmore
Managing Director
Rox Resources Limited
Tel: +61 8 9226 0044
admin@roxresources.com.au

Jane Morgan
Investor and Media Relations
Tel: + 61 (0) 405 555 618
jm@janemorganmanagement.com.au

Competent Person Statements**Exploration Results**

The information in this report that relates to previous Exploration Results, was either prepared and first disclosed under the JORC Code 2004 or under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of original announcement to ASX. In the case of the 2004 JORC Code Exploration Results and Mineral Resources, they have not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Resource Statements

The information in this report that relates to gold Mineral Resources for the Mt Fisher project was reported to the ASX on 11 July 2018 (JORC 2012). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 11 July 2018, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 11 July 2018 continue to apply and have not materially changed.

The information in this report that relates to nickel Mineral Resources for the Fisher East project was reported to the ASX on 5 February 2016 (JORC 2012). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 5 February 2016, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 5 February 2016 continue to apply and have not materially changed.

The information in this report that relates to nickel Mineral Resources for the Collurabbie project was reported to the ASX on 18 August 2017 (JORC 2012). Rox confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 18 August 2017, and that all material assumptions and technical parameters underpinning the estimates in the announcement of 18 August 2017 continue to apply and have not materially changed.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Rox Resources Limited planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements.

About Rox Resources

Rox Resources Limited is an emerging Australian minerals exploration company. The company has a number of key assets at various levels of development with exposure to gold, nickel, copper and platinum group elements (PGE's). The 1.2Moz Youanmi Gold Project and the Fisher East Nickel Project (78kt Ni) being the most advanced projects with exploration ongoing at the Mt Fisher Gold Project and the Collurabbie Nickel-Copper-PGE Project.

Youanmi Gold Project (Youanmi Gold Mine 50% and option to increase to 70%, Regional JV's 50% earn-in)

The Youanmi Gold Mine is located 480 km to the northeast of Perth, Western Australia. The Youanmi Mining Centre has produced an estimated 667,000 oz of gold (at 5.47 g/t Au) since discovery in 1901 during three main periods: 1908 to 1921, 1937 to 1942, and 1987 to 1997.

The project is situated in the Youanmi Greenstone Belt, within the Southern Cross Province of the Archaean Yilgarn Craton in Western Australia. The structure of the Youanmi Project is dominated by the north-trending Youanmi Fault Zone. Most of the gold mineralisation seen at the project is hosted within north-northwest splays off the north-northeast trending Youanmi Fault.

Fisher East Nickel Project (100%)

The Fisher East nickel project is located in the North Eastern Goldfields region of Western Australia and hosts several nickel sulphide deposits. The total project area is ~350km².

Discovery of, and drilling at the Camelwood, Cannonball and Musket nickel prospects has defined a JORC 2012 Mineral Resource (ASX:RXL 5 February 2016) of 4.2Mt grading 1.9% Ni reported at 1.0% Ni cut-off (Indicated Mineral Resource: 3.7Mt grading 1.9% Ni, Inferred Mineral Resource: 0.5Mt grading 1.5% Ni) comprising massive and disseminated nickel sulphide mineralisation, and containing 78,000 tonnes of nickel. Higher grade mineralisation is present in all deposits (refer to ASX announcement above) and is still open at depth beneath each deposit. Additional nickel sulphide deposits continue to be discovered (e.g. Sabre) and these will add to the resource base. Exploration is continuing to define further zones of potential nickel sulphide mineralisation.

Collurabbie Gold-Nickel Project (100%)

The Collurabbie project is located in the highly prospective North Eastern Goldfields region of Western Australia and is prospective for gold and nickel. The project area of ~123km² hosts the Olympia nickel sulphide deposit and a number of other prospects for nickel sulphide mineralisation. A JORC 2012 Inferred Mineral Resource of 573,000t grading 1.63% Ni, 1.19% Cu, 0.082% Co, 1.49g/t Pd, 0.85g/t Pt has been defined at Olympia (ASX: RXL 18 August 2017). The style of nickel sulphide mineralisation is different to that at Fisher East, with a significant copper and PGE component at Collurabbie, and has been compared to the Raglan nickel deposits in Canada (>1Mt contained nickel). In addition, there is potential for gold mineralisation, with several strong drilling intersections including 2m @ 2.4g/t Au from the Naxos prospect.

Mt Fisher Gold Project (100%)

The Mt Fisher gold project is located in the North Eastern Goldfields region of Western Australia, adjacent to the Fisher East nickel project, and hosts several gold deposits. The total project area is ~220km².

Drilling by Rox has defined numerous high-grade gold targets and a JORC 2012 Measured, Indicated and Inferred Mineral Resource (ASX:RXL 11 July 2018) of 1.0 million tonnes grading 2.7 g/t Au reported at a 0.8 g/t Au cut-off exists for 89,000 ounces of gold (Measured: 170,000 tonnes grading 4.1 g/t Au, Indicated: 220,000 tonnes grading 2.7 g/t Au, Inferred: 630,000 tonnes grading 2.3 g/t Au) aggregated over the Damsel, Moray Reef and Mt Fisher deposits.

Appendix 1 – Schedule of Joint Venture Tenements

Item 1 - Cullen Tenements

Number	Status
E53/1209	Live
E53/1299	Live
E53/1637	Live
E53/1893	Live
E53/1957	Live
E53/1958	Live
E53/1959	Live
E53/1961	Live
E53/2052	Pending

Item 2 - Rox Tenements

Number	Status
E53/2002	Live
E53/2062	Pending
E53/2075	Pending